

State of Now Jorsey

Chris Christie

Kim Guadagno

Office of the Attorney General
Department of Law and Public Safety
Division of Gaming Enforcement
P.O. Box 047
Trenton, NJ 08625-0047

Jeffrey S. Chiesa
Attorney General

David Rebuck

LETTER ORDER REVOKING VENDOR REGISTRATION

Via Certified Mail. Return Receipt Requested

Gad Shapiro, National Sales Director BHN International, d/b/a Lava Heat Italia 8645 Hayden Place Cuiver City, California 90232

RE: Prohibition of business transactions between New Jersey casino applicants or licensees, their employees or agents and BHN international, d/b/a Lava Heat Italia (Vendor No. 85032)

ORDER NO. 00648

Dear Mr. Shapiro:

The Vendor Registration Form dated February 16, 2012 and filed on behalf of BHN international, d/b/a Lava Heat italia (hereafter, Lava Heat Italia), did not identify the owners of the company or the residence address of one of its employees authorized to conduct business with the Atlantic City gaming industry, as required by N.J.A.C. 13:69A-5.11(b)5, 6 and (c).

Pursuant to N.J.S.A. 5:12-80b and N.J.S.A. 5:12-80d, the Division of Gaming Enforcement (Division) has made several attempts by electronic and certified mail as well as telephone contact to obtain information about the ownership and employee representative of Lava Heat Italia. On June 28, 2012, the Division telephoned you and left a voice mail message about its request for this information. Having not received a response from you, the Division e-mailed you its requests on June 28, 2012. On the same



BHN International, d/b/a Lava Heat Italia Page 2

day, you responded that you thought the information had already been provided. After the Division telephoned you to explain that the requested information had not been provided. you then responded by e-mail with some information about which you were either "not sure" or only "believed" was accurate. The next day, on June 29, 2012, the Division emalled you again and advised that its investigation could not proceed unless you provided factual information.

On July 9, 2012, the Division sent you a certified letter, return receipt requested. reiterating its requests for information about the ownership and employee representative of Lava Heat Italia. You received this letter on July 13, 2012, but did not respond. The Division telephoned you on December 17 and 21, 2012 and left a voice mail message for you each time. Neither you nor any other representative of Lava Heat Italia has ever responded to the Division with the information it has repeatedly requested.

As a result of the above described failure to cooperate and provide the Division with the requested information, it is hereby ordered that Lava Heat Italia and its National Sales Director, Gad Shapiro, are disqualified from vendor registration pursuant to N.J.S.A. 5:12-80b, N.J.S.A. 5:12-80d and N.J.S.A. 5:12-86b. Therefore, it is further ordered, as of this date, that the vendor registration of Lava Heat italia is REVOKED pursuant to N.J.S.A. 5:12-92d, N.J.S.A. 5:12-92h(1) and N.J.S.A. 5:12-94f.

It is further ordered, pursuant to N.J.A.C. 13:69C-10.1(c)1, that Lava Heat Italia and Gad Shapiro are prohibited from conducting any direct or indirect business with any casino applicant or licensee (hereafter, casino) or any person acting on behalf of a casino.

It is further ordered, pursuant to N.J.A.C. 13:69C-10.1(c)1, that any casino or person acting on behalf of a casino is prohibited from conducting direct or indirect business with Lava Heat Italia and Gad Shapiro.

It is further ordered, pursuant to N.J.S.A. 5:12-104b and N.J.A.C. 13:69C-10.1(c)1. that any existing agreements, whether written or unwritten, between Lava Heat Italia and Gad Shapiro and any casino or person acting on behalf of a casino will be immediately terminated.

Finally, it is ordered, pursuant to N.J.A.C. 13:69A-8.8(a), that Lava Heat Italia and Gad Shapiro are prohibited from reapplying for or obtaining any other license, registration, qualification or approval required under the Casino Control Act until five years has elapsed from the date of this letter order.

Dated: Jumay 11, 2013

Director